



OFFICE OF INTERNAL AUDIT

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Audit Logistics

Will the audit be delayed because of the recently announced extension?

No. Testing of the first two disbursements will begin as scheduled. Documentation related to the third disbursement will be requested at a later date.

Will audit staff be on-site to review any of the requested documentation?

No. All testing will be performed remotely. Documentation must be submitted electronically.

Is there a secure portal to upload payroll data?

No. Our IT department directed us to use Secure Mail portal. Providers can register on <https://securemail.ri.gov/encrypt> with their corporate email accounts to email requested documents.

Tracker

Can we enter all weeks of payment on one sheet or should we save each payment week as a separate workbook?

Please enter all pay periods on one tracking sheet. Employees should be listed individually, on separate lines but all pay periods should be listed on one worksheet.

Our payroll is based upon a two week pay period- do I need to breakdown the payments and hours per week?

No. You do not have to breakdown payments into weekly pay periods. Please document payments using your pay periods and weekend ending dates.

Is this tracker for just the June 1-June 15th or should other weeks be included?

Please include all weeks your facility paid employees under this program on this tracker.

If an employee did not receive the additional wages for 1 or 2 weeks should that week still be on the spreadsheet for them?

No, if an employee did not earn additional wages for a week or two during the program, please do not include them on the spreadsheet for that pay period.

Column H requests "Base Hourly Rate", is this the current base rate or the base rate from February that we based eligibility on?

Please use the current base rate but note the rate that you based eligibility on in the Notes field.

The Gross Weekly Pay column – is this the base weekly pay plus the COVID additional wages to tie to the pay registers?

Yes, the gross weekly pay column is the base weekly pay plus COVID funding and should tie to pay registers.

The Base Weekly Pay column – should this be what the pay actually was without the additional COVID wage portion (to include overtime hours)?

This should be the normal base pay without additional COVID funding, but with OT or any other alternative time (vacation, sick, personal, etc)

For a salaried employee do I list the base rate as the hourly rate or the weekly salary rate?

Please list the base rate as the hourly rate for salary employees.

Our direct care support receive two rates, a different rate for weekends. Do you need this detail on the schedule?

Yes. Please note the different rate types in the notes field.

Questions Added July 8, 2020

Documentation

Payroll registers are employee specific. Instead of including as part of the initial request, can we send those only when a specific sample of employees is requested for detailed testing?

Yes, payroll registers can be held back from the initial request until a sample of employees are chosen for detailed testing.

For those providers who use a third-party service provider for payroll processing, are the service provider's bank statements and cancelled checks required?

No, for providers using a service provider we just need evidence of the payments made to the service provider for payroll (to include impounds, withholding, taxes, etc.)

Questions Added July 13, 2020

Flexibility on the July 15 deadline - It is recognized that the audits for many providers need to be completed timely due to the 09/30/20 state-imposed deadline, however, many business office staffs are limited and are stretched with the numerous COVID related deadlines in addition to their "normal" deadlines, such as cost reports, tax filings, compliance deadlines and financial reporting. In addition, the recent extension of the program to June 30th means that some funds may not yet be expended in a subsequent payroll. We request that providers submit as much information as they can by July 15, with the understanding that the remaining information will be submitted no later than August 15, 2020.

We do not expect providers to include the payments disbursed under the most recent extension with this request. It has been communicated that information related to those payments will be requested at a later date to give providers sufficient time to expense the funds and properly document them.

Third party (independent contractor) data - Many times it is a struggle to get timely related data from third party vendors, which are used for services such as dining and housekeeping. Flexibility in the timing and format of this data is requested.

Providers were aware that documentation from their contractors would be required and were advised to arrange for timely and adequate delivery of such documents before applying for the loan. Both providers and contractors are mandated by RI General Law 35-7.1-6(b) to provide requested documentation within 10 business days.

Alternative data that will fulfill the information request - Flexibility regarding the reporting format for the requested data. For example,

- **Providing the last page of a payroll register to support the total dollars incurred for that pay week as a substitute for providing a bank statement, and**
- **Providing an alternative report for the “Weekly Provider Tracking”. Many providers have already established a tracking document with principally the same data as that being requested. Depending on the Payroll Vendor, there may be restrictions or variances in the format of data collected (reporting formats) from Payroll processing system.**

Individual providers are encouraged to reach out to the audit team directly with any challenges related to the documents requested. The requirements and expectations vary for providers who process their payroll in house and those who utilize a third-party payroll servicer. Those who use a vendor do not have to provide bank statements but must submit adequate documentation to support their payroll expenses.

Reasoning for some data - Flexibility in providing some data requested. For example, “Name of Employee(s) in each Job Classification on the Application” (from February 2020) was requested, which can become a time-consuming task to prepare. If the audit documentation will show the actual results of the May and June payroll expended, compared to the funds received, we do not quite understand why this application-related information is necessary.

Employee eligibility was based on data as of February 2020. We need this information to validate eligibility and application data.

We paid Hazard pay to employees prior to receiving the Workforce Stabilization Loan (WSL) funds. Can these funds be used to fund Hazard pay?

It is acceptable to use WFS loan funds to increase an employee’s rate of pay, including paying Hazard pay, as long as the increase is not being funded using another federal funding source for the same week.

For example:

Employee A earned \$600 hazard pay and a \$200 stabilization increase for the week ended July 4. The hazard pay was funded by the Paycheck Protection Program forgivable loan program and the wage stabilization increase was funded with WFS funding. This is an allowable transaction since each “kind” of funding was used for different purposes.

An example of what is NOT allowed is:

Company received PPP loan, Employee A earned \$600 hazard pay and a \$200 stabilization pay increase for the week ended July 4; company funded the \$800 with 100% WSL funding.